

Hospital DF Star – Distrito Federal

Results
Conference Call
2Q23

REDE D'OR



› DISCLAIMER

The reader/investor should not rely solely on the information herein to make decisions with respect to trading the securities issued by Rede D'Or São Luiz. The document may also contain prospective statements, which are subject to risks and uncertainties as they are based on expectations of the company's management and on available information.

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Future projects could differ materially due to market conditions, changes in laws or government policies, changes in operational conditions and costs, changes in project schedules, operating performance, demands by clients and consumers, commercial negotiations or other technical and economic factors. For more detailed information, please refer to our Financial Statements, Reference Form (Formulário de Referência) and other relevant information on our investor relations website: www.ir.rededor.com.br



SULAMÉRICA ACCOUNTING AND INTEGRATION

Due to the merger of Sul América S.A. (“SulAmérica”) being completed on December 23, 2022, the Financial Statements of Rede D’Or São Luiz S.A. (“Rede D’Or”) did not include the income statement balances for the 2022 fiscal year of SulAmérica. From the Financial Statements of Rede D’Or on March 31, 2023, SulAmérica’s results are fully included in the Income Statement, as well as the Accounting Cash Flow and Balance Sheet.

In preparing this report, Rede D’Or chose to present selected operational and financial indicators for Rede D’Or and SulAmérica separately, on a voluntary, managerial, and unaudited basis.

The Company also reinforces the disclaimer available on the previous page, in the context of any declarations that may be made related to the combination between Rede D’Or and SulAmérica. For further information regarding the risks that should be considered, please see section 4, “Risk Factors”, of Rede D’Or’s Reference Form, available on the Company’s IR website, as well as the files directory of Rede D’Or on the CVM website.

› 2Q23 HIGHLIGHTS

REDE D'OR

Patient-day: new record

725 thousand in the quarter, increase of 2.5% YoY

Surgical volume

5.4% YoY growth

Average bed occupancy rate

83.0%, +0.4 pp vs. 2Q22

Gross revenue

R\$7.2 billion, +10.2% YoY

Average ticket

Increase of 7.5% YoY

Oncology

Gross revenue grows 13.6% YoY with ticket increasing 16.0% YoY

EBITDA

+12.8% YoY, to R\$1.6 billion and 25.3% margin

SULAMÉRICA

Net revenues

+18.1% YoY, to R\$6.6 billion, driven by the health and dental segment

Membership evolution

+6.6% YoY, reaching 5.0 million beneficiaries considering health and dental portfolio

Loss ratio

Consolidated loss ratio of 86.3%, improvement of 2.1 pp vs. 2Q22 and 6.2 pp vs. 4Q22

Adjusted EBITDA⁽¹⁾

+98.3% vs 1Q23, to R\$234.4 million

CONSOLIDATED

Gross revenues

R\$12.4 billion in 2Q23, +3.5% vs 1Q23

EBITDA

R\$1.6 billion in 2Q23, +19.9% vs 1Q23

Net income

R\$435.4 million in 2Q23, +43.3% vs 1Q23

Adjusted net income

R\$489.8 million in 2Q23, +31.0% vs 1Q23

Debt

2.6x Net Debt/EBITDA, decrease of 0.3x vs. 2Q22 and 0.1x vs 1Q23

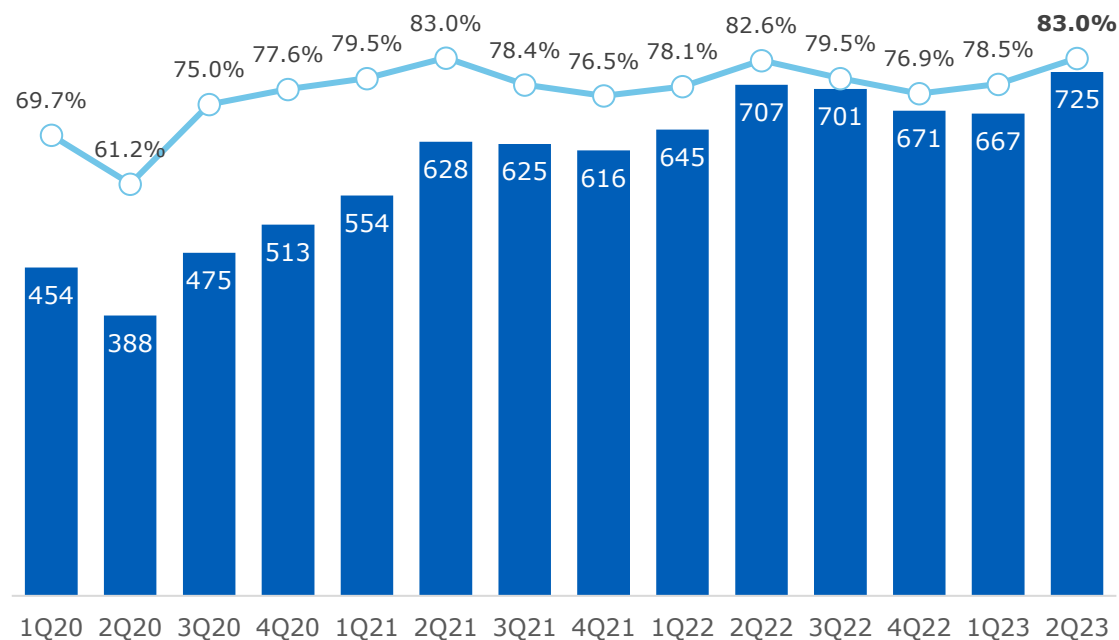
Synergies

Approximately R\$530 million mapped and/or executed, based on costs and expenses of the 12 months prior to the optimizations

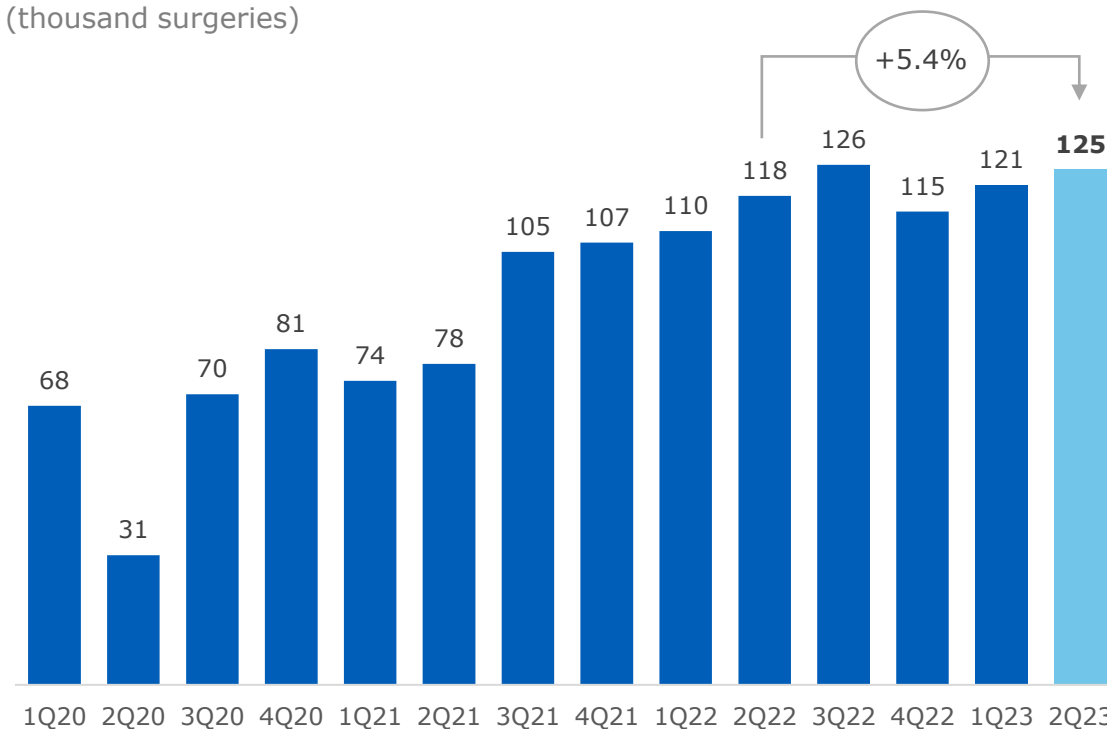
¹ Adjusted EBITDA considers sum of reported EBITDA, financial results over restricted assets, and non-recurring expenses with integration.

> PATIENT-DAY AND SURGICAL VOLUME

Patient-day volume and average occupancy rate
(hospitalization in thousands; %)



Evolution of the total number of surgeries (total)
(thousand surgeries)

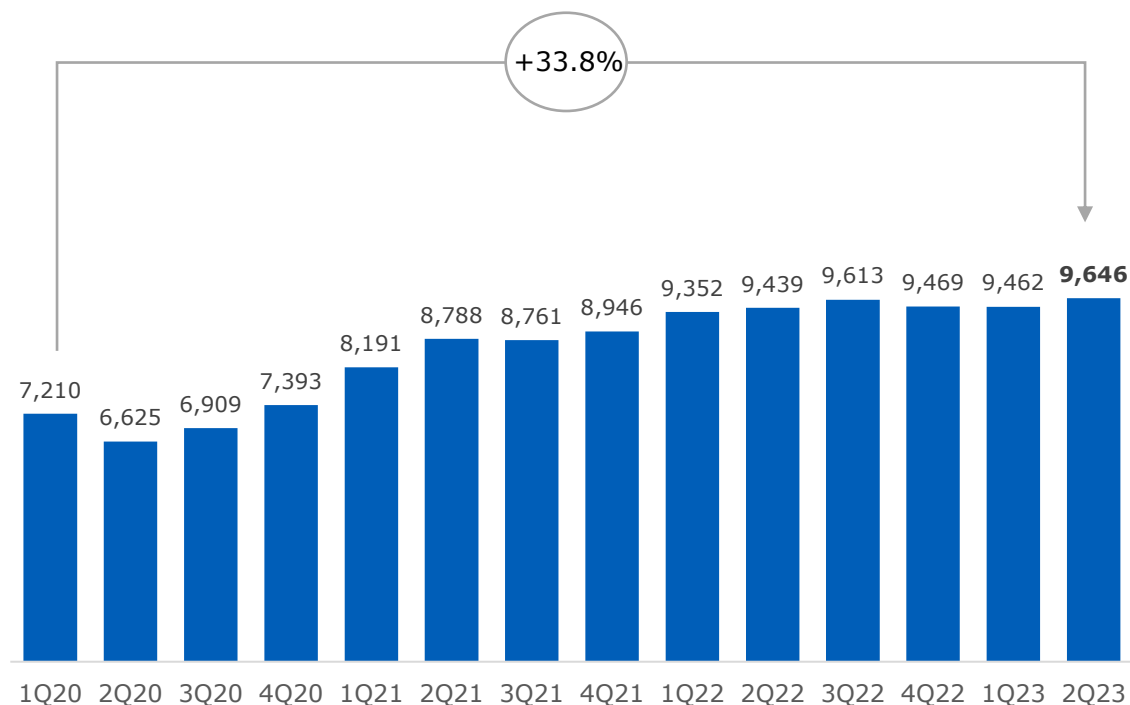


> Record patient-day volume grew 2.5% YoY in 2Q23, with average occupancy rate at 83.0%, 0.4 pp above 2Q22.

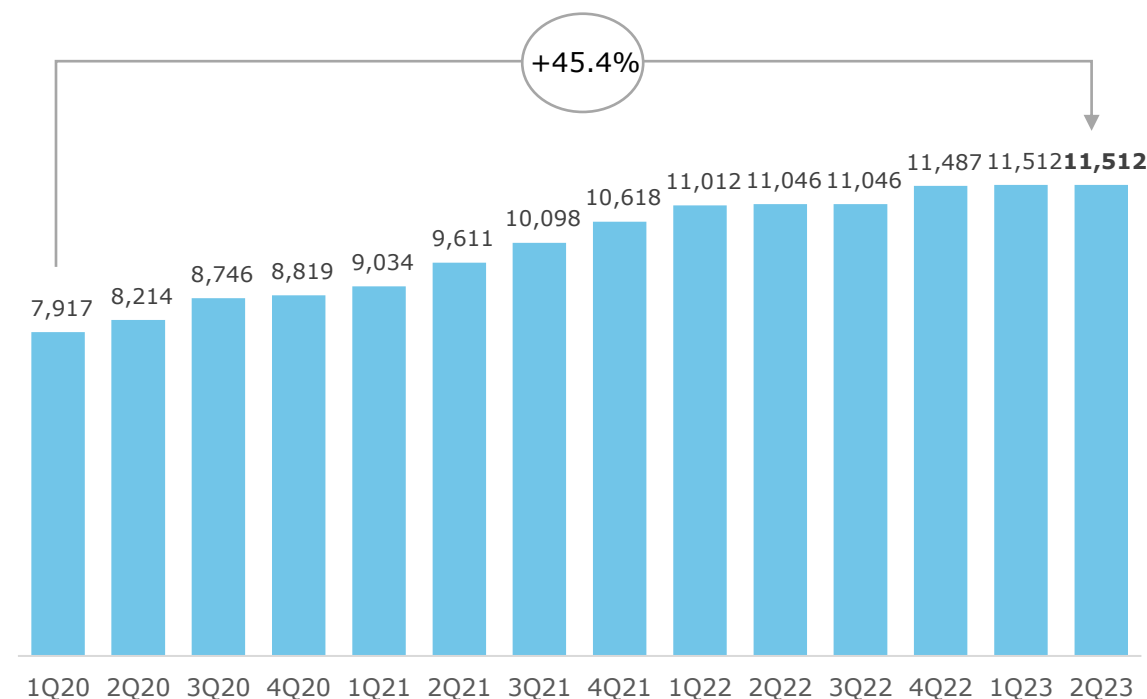
> In 2Q23, Rede D'Or registered 125,000 surgeries within its units, posting a 5.4% growth over 2Q22.

› EVOLUTION OF HOSPITAL BEDS

Number of operational beds
(# of beds, end of period)



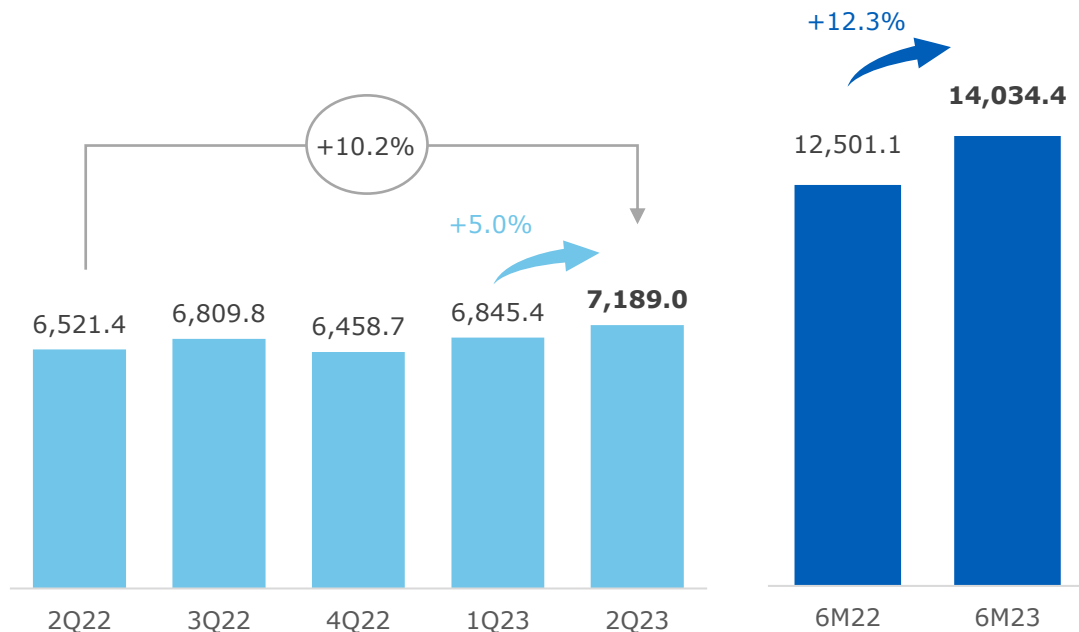
Number of total beds
(# of beds, end of period)



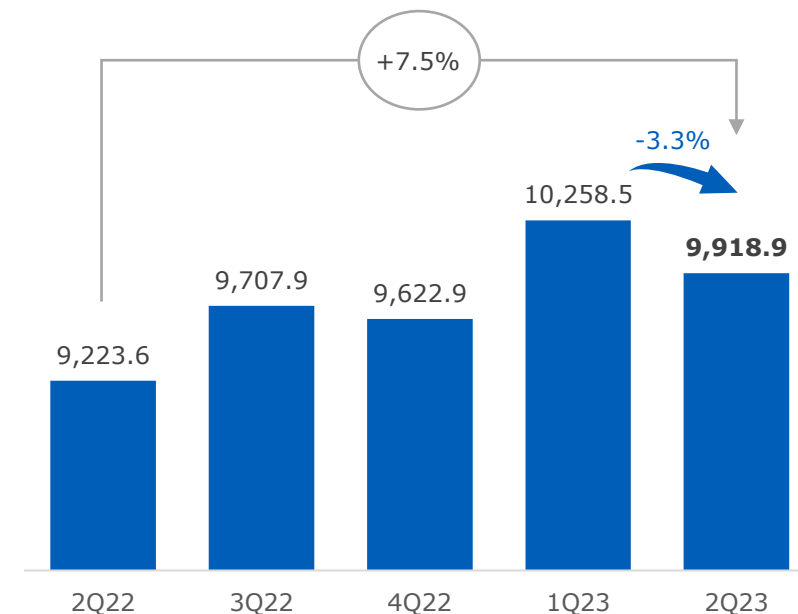
- › Number of total and operational beds increased, respectively, 466 and 228 YoY; including the inauguration of the new Hospital São Luiz Campinas in mid-May 2023.

> GROSS REVENUES AND AVG. TICKET: HOSPITAL SERVICES

Total gross revenues: Hospital Services
(R\$ million)



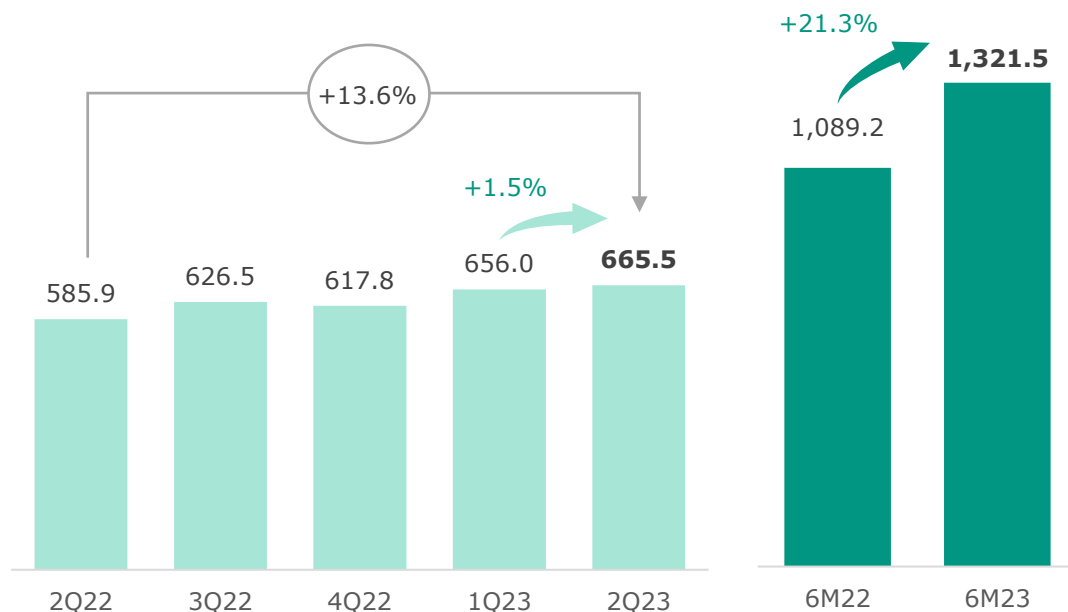
Total average ticket
(Total gross revenue over patient-day; in R\$)



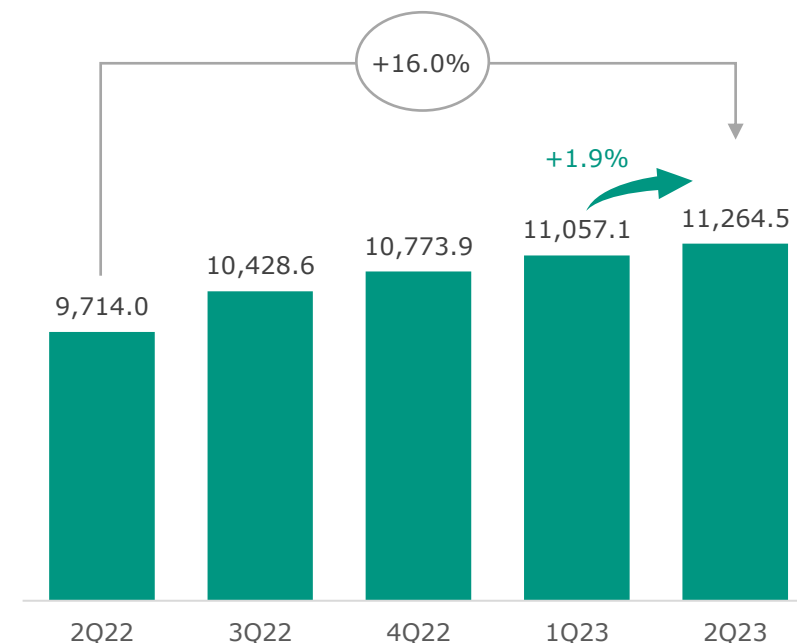
- > Gross revenue increased 10.2% over 2Q22, with 7.5% YoY evolution of total average ticket, mainly driven by higher average of service contract readjustments implemented throughout the period.

> GROSS REVENUES AND AVG. TICKET: ONCOLOGY

Gross revenues: Oncology (infusions and therapies)
(R\$ million)



Average ticket: Oncology
(Oncology gross revenue over infusions; in R\$)

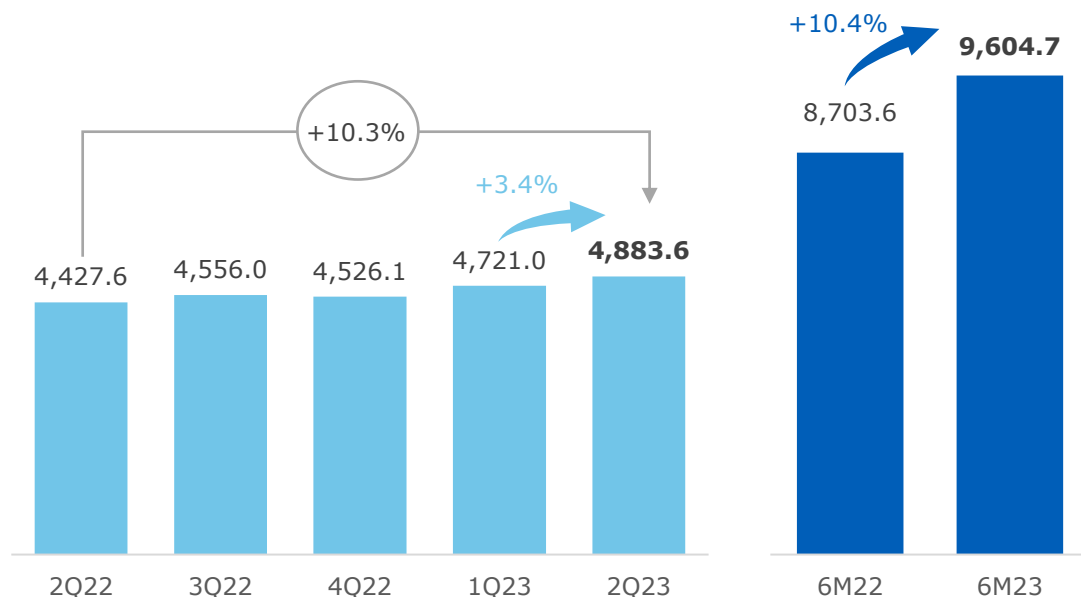


- > In 2Q23, Oncology gross revenue (infusions) continued to register elevated organic growth rates increasing 13.6% vs. 2Q22, driven by superior average ticket in the period (+16.0% YoY).

› COSTS AND EXPENSES: HOSPITAL SERVICES

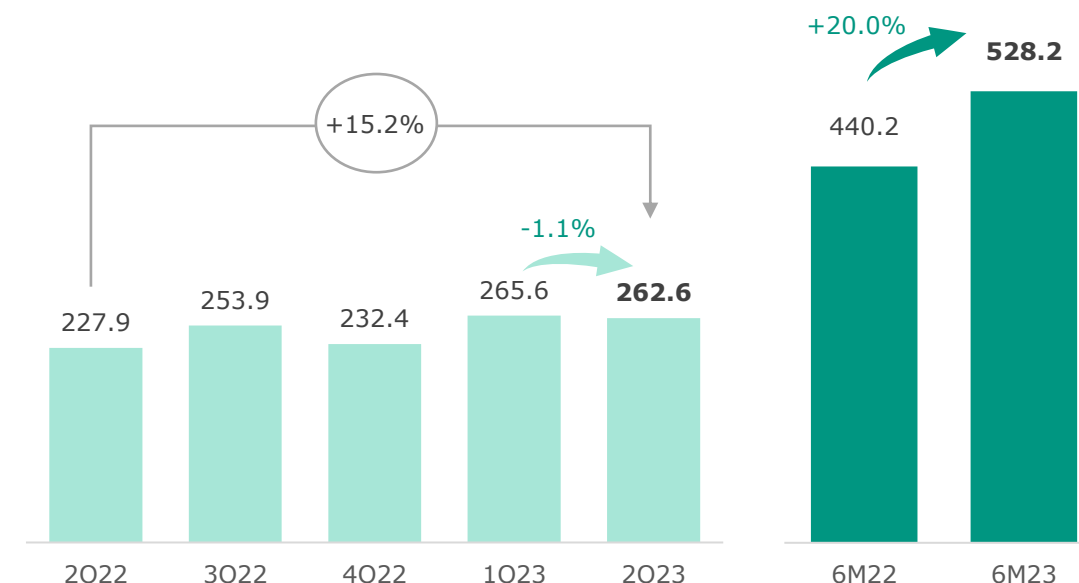
Cost with hospital services

(R\$ million)



General and administrative expenses

(R\$ million)



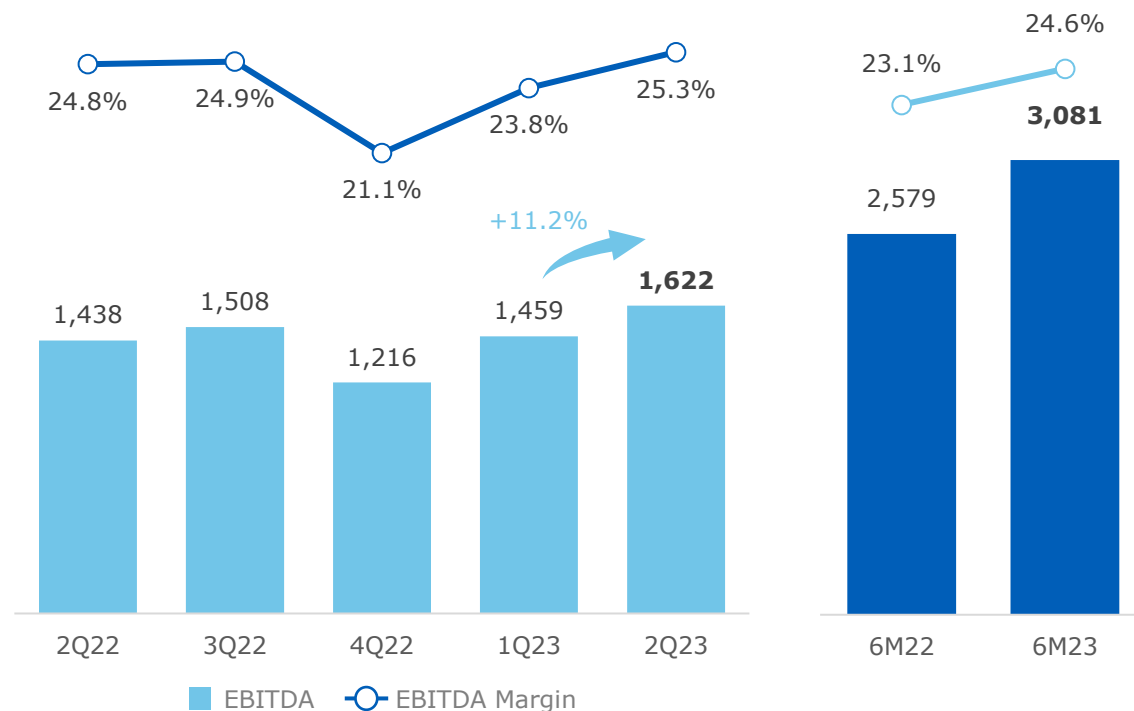
- › Costs with hospital services increased 10.3% vs. 2Q22, following the growth in net revenues over the same period. The increase in costs mainly reflected higher volume of surgical procedures and the expansion of the Oncology business.

- › G&A expenses posted annual increase (+15.2% YoY) and quarter-on-quarter reduction, of -1.1% vs. 1Q23.

› EBITDA AND NET INCOME

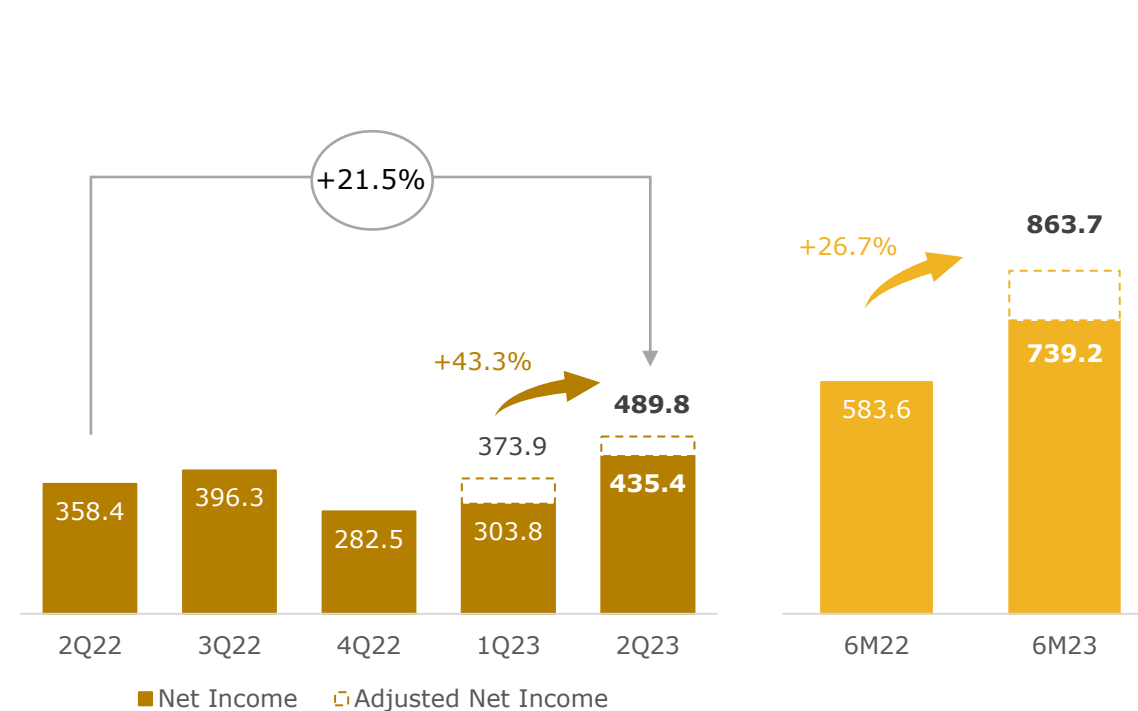
EBITDA and margin: Hospital Services

(R\$ million, %)



Net Income: Consolidated ⁽¹⁾

(R\$ million, %)

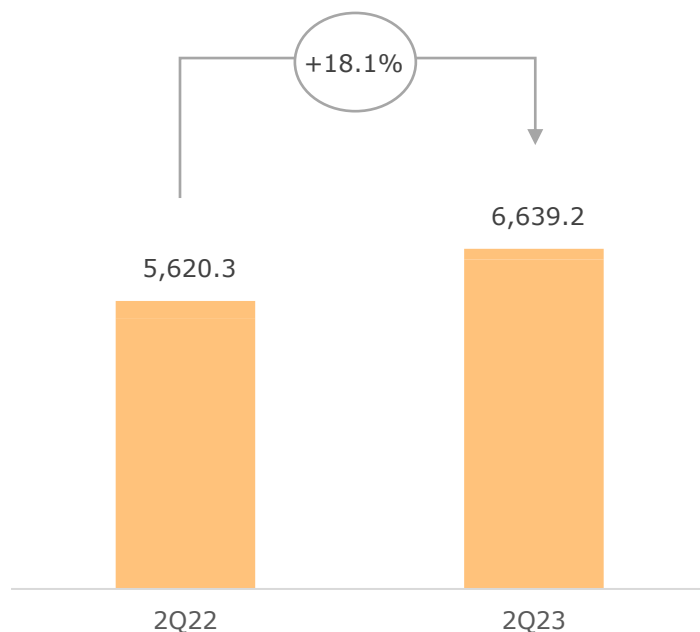


› 2Q23 EBITDA grew 12.8% YoY, with 25.3% margin (+0.5 pp YoY), driven by the expansion of surgical volumes and the Oncology business, along with average ticket growth.

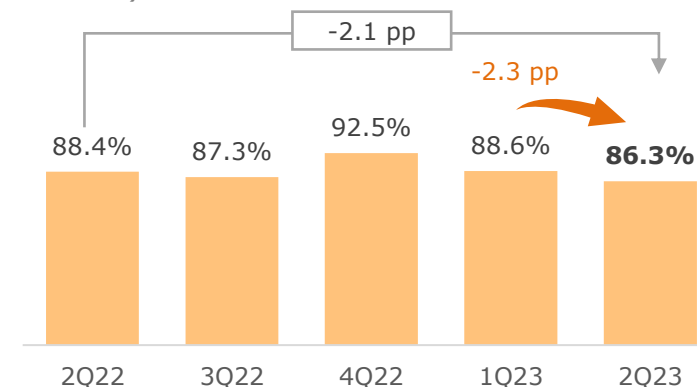
› Net income posted 21.5% YoY growth. Excluding the accounting-only effect of the amortization of the portfolios assumed in SulAmérica's business combination and non-recurring expenses, the net income would have reached R\$489.8 million in the quarter.

(1) 2022 figures do not account for SulAmérica's results.

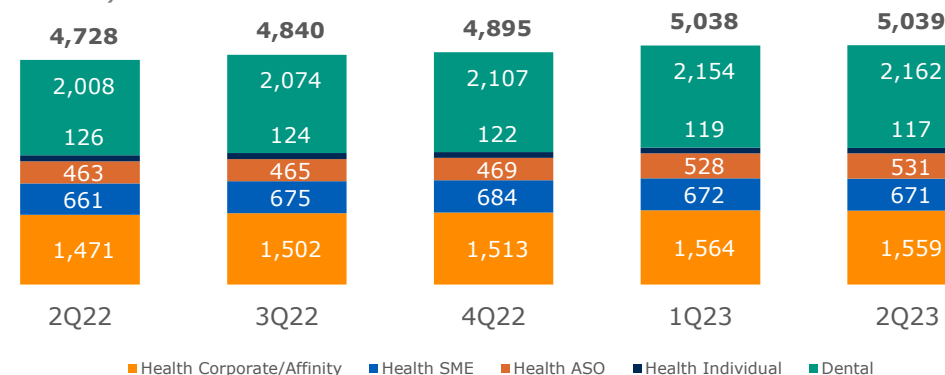
Net revenues⁽¹⁾ (R\$ million)



Consolidated loss ratio (% earned premiums)



Health and dental beneficiaries (thousands)



> Net revenues grew +18.1% vs. 2Q22, with ticket evolution and expansion of health and dental portfolio.

> Consolidated loss ratio registered important improvement of 2.1 pp vs. 2Q22.

(1) Does not consider figures from Sul América Investimentos S.A. (asset management), which are being recognized as equity pick-up.

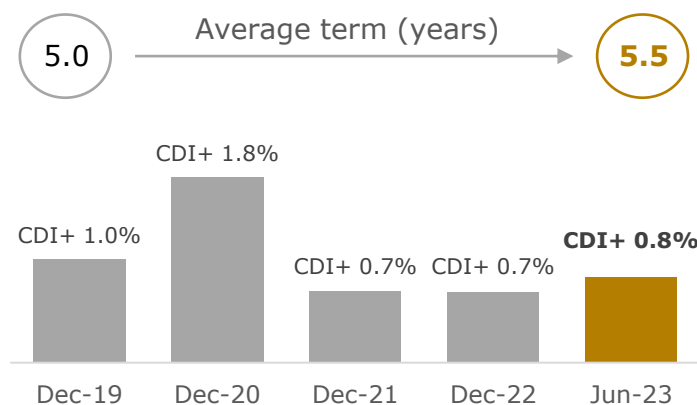
› DEBT PROFILE

As of June 30, 2023 (R\$ million)

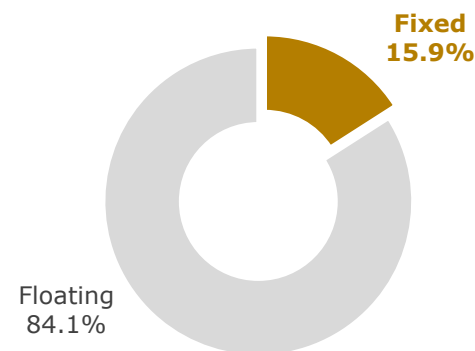
Cash and cash equivalents (a)	30.982,1
Technical reserves (b)	(15.578,7)
Insurance	(5.094,0)
Private pension	(10.484,6)
Net cash from technical reserves⁽¹⁾ (a+b)	15.403,5
Gross debt⁽²⁾	(31.584,0)
Net debt	(16.180,5)
Net debt / LTM EBITDA ⁽³⁾	2,6x
Net debt (inc. insurance reserves)	(11.086,5)
Net debt (inc. insurance reserves)/LTM EBITDA ⁽⁴⁾	1,9x

- > % of debt in foreign currency: **20.0%**
- > % of foreign currency debt with full foreign exchange hedging: **100%**
- > Covenants tied to leverage ratios: **None**

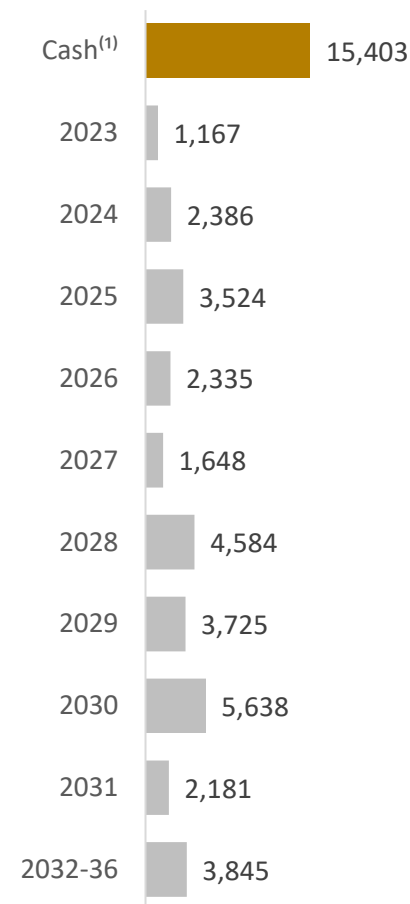
Evolution of the average cost of debt
(in CDI+; end of period)



Net debt breakdown per indexes after derivatives (Jun-23)



Debt amortization schedule (principal)
(R\$ million)



(1) Cash, cash equivalents, and securities, net of technical reserves.

(2) Balance of loans, financing and debentures net of all financial instruments and derivatives. Does not consider leasing liabilities.

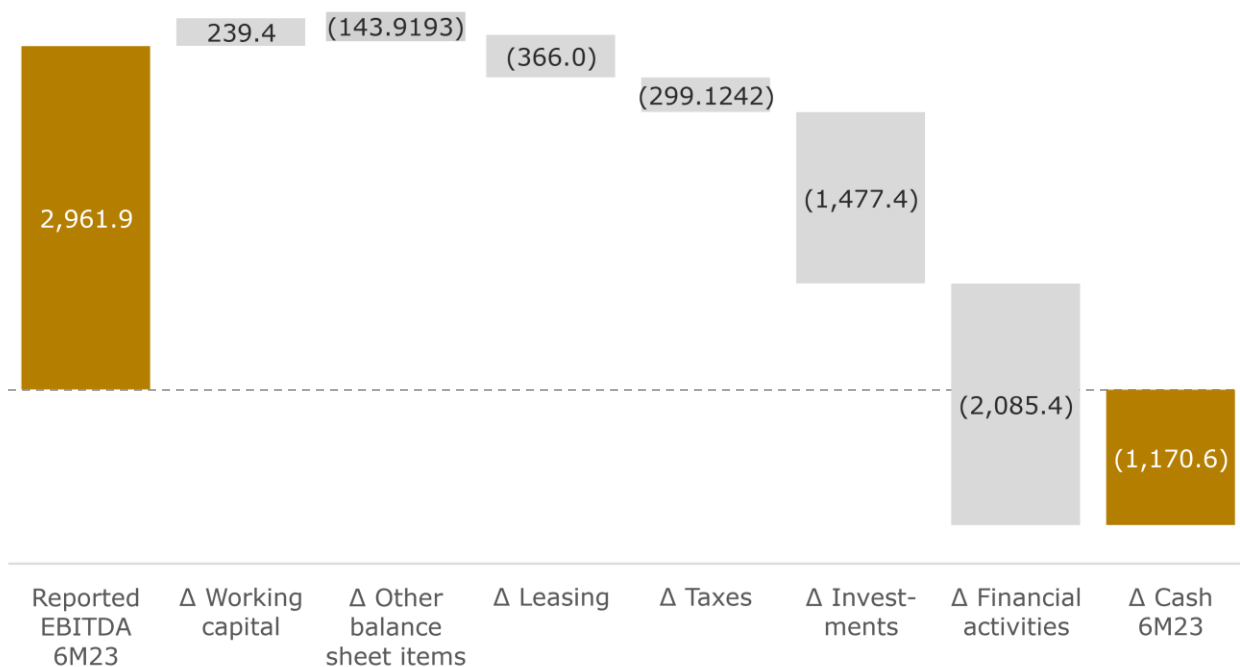
(3) LTM EBITDA considers SulAmérica's adjusted EBITDA as of 1Q23.

(4) LTM EBITDA considers SulAmérica's information as of 1Q23.

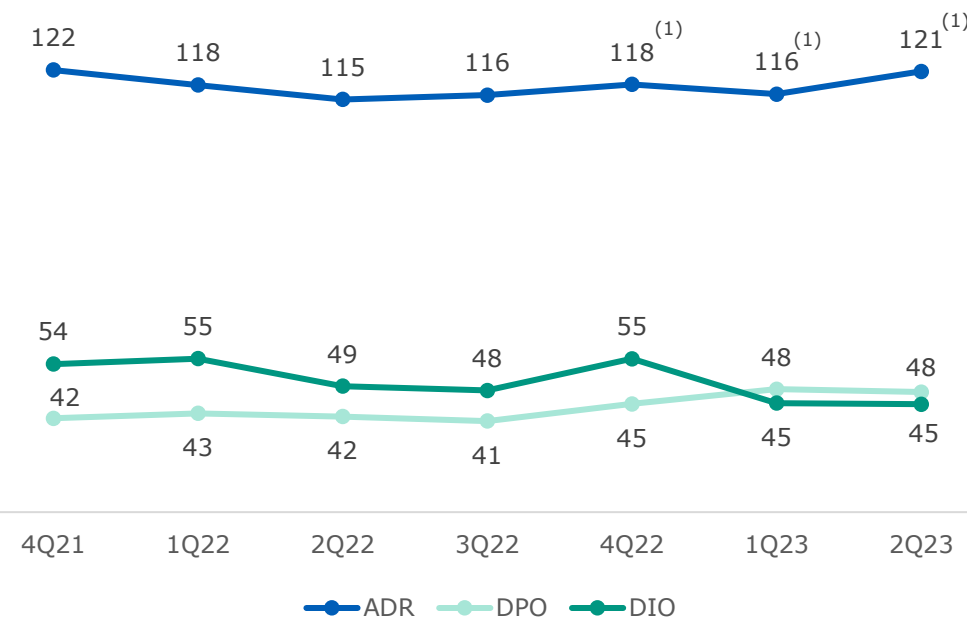
› MANAGERIAL CASH FLOW

Managerial cash flow reconciliation

(R\$ million)



Average days receivables (ADR), days inventory outstanding (DIO) and days payable outstanding (DPO) of hospital services (in days)



- › Managerial operation cash flow expanded 51.4% YoY in 6M23, with cash conversion⁽²⁾ reaching 101.9% (vs. 78.8% in 6M22, and 37.3% in 6M21).

(1) As of 4Q22, ADR calculation adjusted by the integration of SulAmérica in the Company's balance sheet, therefore excluding provision eliminations between companies of the group.

(2) Cash conversion = Managerial CFFO before taxes over reported EBITDA (ex IFRS-16).



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